[USOE LETTERHEAD]

January 31, 1996

The Honorable John T. Conway Chairman Defense Nuclear Facilities Safety Board 625 Indiana Avenue, NW Suite 700 Washington, D.C. 20004

Dear Chairman Conway:

On January 19, 1996, Secretary of Energy Hazel O'Leary received the final report of the Advisory Committee on External Regulation of Department of Energy Nuclear Safety, titled *Improving Regulation of Safety at DOE Nuclear Facilities*. The Committee was chartered in January 1995 to examine whether and how new and existing DOE nuclear facilities and operations should be externally regulated to ensure nuclear safety. In the report, a broad view of nuclear safety is taken that includes facility safety, worker and public safety, and environmental protection.

The Committee has determined that essentially all aspects of safety at DOE's nuclear facilities and sites should be externally regulated and that existing agencies rather than a new one should be responsible for such regulation. The Committee made an extensive review of the DOE complex and the existing regulatory structure, and made a number of additional recommendations for both enhancing safety at DOE and making it more efficient.

Secretary O'Leary, in receiving the report, announced the formation of a task force, under my direction, to respond to the report within 60 days and to develop a detailed plan to move the Department to external regulation. Enclosed is a copy of the final report and the appendices volume. As part of the initial work of the task force, we would appreciate your reviewing the recommendations in the report and providing your views and comments to me by February 15, 1996. We will be seeing your aid and involvement in subsequent phases of the task force effort.

Thanks for your support and assistance.

Sincerely,

Thomas P. Grumbly
Acting Under Secretary

Enclosures